WASHINGTON D.C. – As the Obama Administration continues to ignore the concerns raised by the people impacted by the Gulf Coast oil spill to pursue a job-killing moratorium that threatens the economic solvency of the region, House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) today called on the President to put forward a viable plan detailing what the Administration will do to replace the up to 46,000 gulf region jobs that have been suspended due to the six-month moratorium that halted operations on 33 permitted deepwater wells.

"President Obama and Secretary Salazar should **review a report** we recently released that details how local officials in Louisiana coastal communities overwhelmingly believe a six month moratorium on any drilling is overly broad, imposes acute economic pain on the residents of the Gulf, and fails to contribute significantly to the stated safety goals of the President," Issa said. "In their view, it neither stops the current leak, nor contributes in any way to cleaning up the Gulf; rather, it significantly compounds the economic damage caused by the oil spill. The people of the Gulf Coast who are about to lose their jobs because of this ill-conceived moratorium deserve to hear directly from the President what his plan is to replace their jobs."

From the Report: "How the White House Public Relations Campaign on the Oil Spill is Harming the Actual Clean-Up,

- In four separate interviews, community leaders pointed to the moratorium as a source of great anxiety for them and for their neighbors. According to Dan Juneau, President of the Louisiana Association of Business and Industry, the moratorium would "kill us." Charlotte Randolph, President of Lafourche Parish, expressed her concern that "nine out of her top ten" taxpayers are employed in the oil and gas industry, which will be directly impacted by the moratorium.

- According to the Gulf Economic Survival Team (GEST)**,** each drilling rig in the Gulf of Mexico employs 180-280 workers, and each drilling rig job supports 4 other jobs in the community **.** In Louisiana coastal communities such as Houma, Morgan City and Lafayette, 1 out of every 3 jobs is related to the oil and gas industry and $12.7 billion in total wages are earned by employees working in the Gulf Coast oil and gas industry. Their unemployment would result in decreased tax receipts and additional budget restrictions for a Parish that is already experiencing a very lean year. According to an analysis performed by GEST **,** Louisiana and its parishes stand to lose from $150 million to $700 million in state and local sales tax revenue due to the moratorium, thereby negatively impacting all government services, from police and fire protection to schools and hospitals.

- The President's policy would force 33 rigs, already permitted to drill, to sit idle. This will imposes a daily cost of between $8 and $17 million per day for the operator and will eliminate 40,000 jobs, which amounts to a loss of $165 – $330 million per month in wages. This spike in unemployment would predictably lead to a higher default rate on mortgages, lowering property values and decreasing tax receipts. Moreover, the loss to the region will likely extend past the six-month ban. The newest rigs, with the highest opportunity cost will be the first to leave the Gulf and will not return for years. These rigs will relocate off the coast of Brazil, Colombia, and Trinidad and Tobago

- Reflecting these concerns, Terrebonne Parish unanimously passed a resolution asking the President to reconsider the ban because, "The decision to implement a suspension of deepwater offshore drilling will have an effect on the economy and culture of the people in

Terrebonne Parish which will be more devastating than any hurricane or the actual spill, as not only will oilfield workers become unemployed, but it will also affect the other thousand of businesses, individuals, and small companies that provide daily services related to the oil production industry."

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